

**LOCAL AGENCY FORMATION COMMISSION  
COUNTY OF SAN BERNARDINO**

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**DATE: AUGUST 7, 2006**

**FROM: KATHLEEN ROLLINGS-McDONALD, Executive Officer**

**TO: LOCAL AGENCY FORMATION COMMISSION**

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**SUBJECT: AGENDA ITEM #11 – LAFCO 3048A – REORGANIZATION TO  
INCLUDE CITY OF FONTANA ANNEXATION NO. 168 AND  
DETACHMENT FROM THE BLOOMINGTON RECREATION AND  
PARK DISTRICT (BLOOMINGTON ISLANDS)**

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**INITIATED BY:**

City Council Resolution, City of Fontana

**RECOMMENDATION:**

The staff recommends that the Commission approve LAFCO 3048A by taking the following actions:

1. Adopt the Statutory Exemption that has been recommended for this proposal, and direct the Clerk to file a Notice of Exemption within five (5) days of this action;
2. Modify LAFCO 3048A as presented to the Commission to exclude detachment from Bloomington Recreation and Park District as requested by the City of Fontana;
3. Approve LAFCO 3048A – Reorganization to include City of Fontana Annexation No. 168 as island annexations, as defined in Government Code Section 56375.3, with the following terms and conditions:
  - a. Determine that there is no conflicting proposal regarding the area proposed for annexation through LAFCO 3048A as outlined in Government Code Section 56655;

- b. That the City of Fontana's 5% Utility Users Tax on commercial properties will not be extended to the annexation areas;
  - c. All streetlights currently the responsibility of County Service Area SL-1 within the annexation areas shall be transferred to the City of Fontana upon successful completion of the annexation. The County Special Districts Department shall prepare the appropriate documentation to transfer the lights, LAFCO staff shall verify the data, and the City of Fontana shall sign the authorization form requesting Southern California Edison to transfer the specific lights to the City of Fontana accounts; and,
  - d. The standard terms and conditions of approval that include the "hold harmless" clause for potential litigation.
- 4. Waive protest proceedings, as required by Government Code Section 56375.3; and,
  - 5. Adopt LAFCO Resolution #2933 setting forth the Commission's findings and determinations concerning this proposal.

**BACKGROUND:**

In December 2005, the City of Fontana initiated and submitted to LAFCO an application to annex 32 separate islands to the City under the special "island annexation" provisions outlined in Government Code Section 56375.3. Upon receipt of the application, LAFCO staff divided the proposal into two separate applications – LAFCO 3048 for 28 of the islands and 3048A for the four islands within the City's eastern sphere of influence associated with the community of Bloomington. In addition, LAFCO staff included the detachment from the Bloomington Recreation and Park District for Islands #4, #26 and #27 as a function of the reorganization in keeping with Commission policies. Therefore, LAFCO 3048A, as modified, is a proposal for annexation of four (4) individual islands, totaling approximately 289 +/- acres, located in the southeastern portion of the City of Fontana's sphere of influence to the City and removal from the jurisdiction of the local Recreation and Park. Location and vicinity maps and the City's application are included as Attachments #1 and #2 respectively to this report.

It is staff's position that LAFCO 3048A before the Commission should be considered at today's hearing and is essentially a ministerial action even though it affects the community of Bloomington. This position is taken on the basis of determinations required by Government Code Sections 56655, 56375(a) and 56375.3 (copies of these Code Sections are included as Attachment #3 to this report), which are discussed in detail below.

## **GOVERNMENT CODE SECTION 56655:**

Government Code Section 56655 indicates that absent a specific determination of the Commission on a “conflicting” proposal, priority shall be given to the first proposal submitted for consideration.

In this case, the Commission considered LAFCO 2981 – Sphere of Influence Amendment (reductions) for the Cities of Fontana and Rialto at its February 2006 hearing. The Commission determined, at that hearing, to override its policy requiring sphere removals for consideration of incorporation proposals and indicated specifically that it would consider proposals for annexation submitted for the territory (copy of minutes included as a part of Attachment #4). At the time LAFCO 2981 was considered, the proposal for annexation of the islands had been submitted, was discussed at the hearing, and no reduction in the sphere was approved, which would have removed the Commission’s ability to consider this proposal.

The Bloomington incorporation is a potential application, not an official proposal at this time. The Bloomington Incorporation Committee (BIC) has submitted its “Notice of Intent to Circulate Petition” related to its incorporation efforts, which was acknowledged by LAFCO staff on March 22, 2006 (copy included in Attachment #4). It is staff’s understanding from conversations with members of BIC that the first signature secured on the petition is dated March 25, 2006, requiring that the petition be presented to LAFCO by no later than September 25, 2006 (Government Code Section 56705). However, at the time that the Notice of Intent to Circulate was filed LAFCO was already processing LAFCO 3048A. Therefore, unless the Commission makes a specific determination otherwise, its priority is to consider LAFCO 3048A since there is no official filing of an incorporation proposal to conflict with the City’s reorganization proposal.

In addition, BIC has submitted opposition to the processing of this proposal on the basis that their preliminary feasibility study was based upon the existing population figures for the community of Bloomington (copy included as a part of Attachment #4). However, the Comprehensive Fiscal Analysis required for an incorporation proposal will be prepared following submittal of a sufficient petition and will take into account the boundaries at that time. As noted above, the date for submission of the petition for incorporation is no later than September 25, 2006.

It is the staff position, that the Commission acknowledged the existence of the island annexation proposal when considering LAFCO 2981 and chose not to remove the territory from the City of Fontana sphere of influence. In addition there is no official filing of an incorporation proposal for the community of Bloomington

to consider as a conflicting proposal. Therefore, it is the staff's recommendation that no change in priority of processing for this proposal is made and that the matter should continue for the Commission's full consideration.

**GOVERNMENT CODE SECTIONS 56375(a) AND 56375.3:**

Government Code Sections 56375(a) and 56375.3 requires the Commission to approve the annexation of island territory if several basic findings are made concerning the size of the island, the configuration of city boundaries, the lack of prime agricultural land within the island area, the presence of development in the area, and the ability of the study area to benefit from or use municipal services from the City. The Commission is required to evaluate each of the four (4) islands against the criteria outlined and make specific determinations regarding their compliance with these provisions. That specific evaluation criterion is as follows:

- The area does not exceed 150 acres, and constitutes the entire island of unincorporated territory;
- The study area constitutes an entire unincorporated island located within the limits of a city, or constitutes a reorganization containing a number of individual unincorporated islands;
- The area is totally or substantially surrounded;
- The study area is substantially developed or developing, based on findings that there is the availability of public services, there is the presence of public improvements in the area, and there are physical improvements on many, if not most, of the properties;
- The study area is not prime agricultural land as such is defined by LAFCO statutes; and,
- The study area will benefit from the annexation or is receiving benefits from the annexing city.

In addition, the Commission has adopted its own policies related to the processing and evaluation of island annexations. Those policies, adopted March 31, 2005, are as follows:

1. For the purpose of applying the provisions of Government Code Section 56375.3, the territory of an annexation proposal shall be deemed "substantially surrounded" if 52% of its boundary, as set forth in a boundary description accepted by the Executive Officer, is

surrounded by (a) the affected City or (b) the affected City and adjacent Cities, or (c) the affected City and a service impediment boundary as defined by the Commission to include, but not be limited to, a freeway, a flood control channel or forest service land.

2. The Commission determines that no territory within an established County Redevelopment Area shall be included within an island annexation proposal, unless written consent has been received from the County Board of Supervisors and County Redevelopment Agency.
3. The Commission directs that a City proposing to initiate an island annexation proposal shall have conducted a public relations effort within the area prior to the adoption of its resolution of initiation. Such efforts shall include, but not be limited to, providing information on the grandfathering of existing legal County uses into the City, costs to the resident/taxpayer associated with annexation, and land use determinations. Documentation of these efforts shall be a part of the application submitted for consideration by the Commission.

LAFCO staff has addressed each of the above-described and required determinations for each of the islands as follows:

- **Island 4** encompasses the unincorporated area within the City of Fontana sphere of influence generally east of Palmetto Avenue, south of San Bernardino Avenue, west of Alder Avenue, and north of Valley Boulevard:
  - The area is 110 +/- acres in size, as verified by the County Surveyor's Department, within the 150 acre threshold, and encompasses the entire substantially surrounded island;
  - The area is substantially surrounded. The island is 63% surrounded by existing City of Fontana boundaries in compliance with Commission policy as verified by the County Surveyor's Department;
  - The study area is substantially developed or developing, on the basis that public services are available in the area, there are public improvements in the area, and there are physical improvements on many, if not most, of the properties;
  - The study area does not contain prime agricultural land as such is defined by LAFCO statutes;
  - The study area will benefit from the annexation and numerous parcels within the boundaries of the island are currently receiving benefits from the City of Fontana through receipt of sewer service provided through out-of-agency sewer agreements;

- The City of Fontana has conducted an extensive outreach program prior to submission of the reorganization application; and,
- The area is not included within an established County Redevelopment Area. The County Redevelopment Agency had established a preliminary redevelopment area for the community of Bloomington but it has never been finalized.
- **Island 5** encompasses the area generally located east of Alder Avenue, west of Maple Avenue (existing City of Rialto boundary), and north of Randall Avenue:
  - The area is 100 +/- acres in size, as verified by the County Surveyor's Department, within the 150 acre threshold, and encompasses the entire substantially surrounded island;
  - The area is substantially surrounded. The island is 62% surrounded by a combination of the existing City of Fontana and City of Rialto boundaries in compliance with Commission policy as verified by the County Surveyor's Department;
  - The study area is substantially developed or developing, on the basis that public services are available in the area, there are public improvements in the area, and there are physical improvements on many, if not most, of the properties;
  - The study area does not contain prime agricultural land as such is defined by LAFCO statutes;
  - The study area will benefit from the annexation and several parcels within the boundaries of the island are currently receiving benefits from the City of Fontana through receipt of sewer service provided through out-of-agency sewer agreements;
  - The City of Fontana has conducted an extensive outreach program prior to submission of the reorganization application; and,
  - The area is not included within an established County Redevelopment Area. The County Redevelopment Agency had established a preliminary redevelopment area for the community of Bloomington but it has never been finalized.
- **Island 26** is generally located south of Valley Boulevard, west of Alder Avenue, and north of the Union Pacific Railroad right-of-way:
  - The area is 58 +/- acres in size, as verified by the County Surveyor's Department, within the 150 acre threshold, and encompasses the entire substantially surrounded island;
  - The area is substantially surrounded. The island is 58% surrounded by a combination of existing City of Fontana boundaries and the I-10 Freeway right-of-way (an impediment to service defined

- by Commission policy) as verified by the County Surveyor's Department;
- The study area is substantially developed or developing, on the basis that public services are available in the area, there are public improvements in the area, and there are physical improvements on many, if not most, of the properties;
  - The study area does not contain prime agricultural land as such is defined by LAFCO statutes;
  - The study area will benefit from the annexation or is receiving benefits from the annexing city;
  - The City of Fontana has conducted an extensive outreach program prior to submission of the reorganization application; and,
  - The area is not included within an established County Redevelopment Area. The County Redevelopment Agency had established a preliminary redevelopment area for the community of Bloomington but it has never been finalized.
- **Island 27** is generally the unincorporated area within the City of Fontana sphere of influence east of Sierra Avenue, south of Slover Avenue, west of Tamarind Avenue, and north of Santa Ana Avenue:
    - The area is 21 +/- acres in size, as verified by the County Surveyor's Department, within the 150 acre threshold, and encompasses the entire substantially surrounded island;
    - The area is substantially surrounded. The island is 67% surrounded by existing City of Fontana boundaries in compliance with Commission policy as verified by the County Surveyor's Department;
    - The study area is substantially developed or developing, on the basis that public services are available in the area, there are public improvements in the area, and there are physical improvements on many, if not most, of the properties;
    - The study area does not contain prime agricultural land as such is defined by LAFCO statutes;
    - The study area will benefit from the annexation or is receiving benefits from the annexing city;
    - The City of Fontana has conducted an extensive outreach program prior to submission of the reorganization application; and,
    - The area is not included within an established County Redevelopment Area. The County Redevelopment Agency had established a preliminary redevelopment area for the community of Bloomington but it has never been finalized.

It is the staff's position that these mandatory determinations are clear; therefore, the Commission is required by Government Code Section 56375(a) to approve this proposal and to approve it without the ability to protest from landowners and registered voters within the areas (Government Code Section 56375.3).

The following provides abbreviated responses to the balance of the issues which the Commission reviews and considers in all annexation proposals – land use, service effects and the effect on other levels of government and environmental considerations.

**LAND USE:**

The City of Fontana adopted its General Plan Update in October 2003 and adopted the pre-zoning of its sphere of influence through adoption of an amended Zoning Map on April 15, 2004. The City's land use designations for the four island areas assigns various designations within the overall classification of residential, commercial, and light industrial uses. These land use designations are identified in the City's application included as a part of Attachment #2. These pre-zone designations are required to be maintained for a two-year period following annexation (Government Code Section 56735 (e)) unless specific determinations are made by the City Council at a public hearing.

The City's General Plan and pre-zone land use designations for the individual island areas are as follows:

**Island #4 –** The City General Plan Land Use designation are Single Family Residential (R-SF) single family detached dwellings, Medium Density Residential (R-M) accommodates a range of housing types including multi-family, single family attached and single family detached housing, and General Commercial (C-G) intended for retailing, wholesaling and service activities. The Pre-Zone designations are: R-1, R-2 and C-2

**Island #5 –** The City General Plan Land Use Designation is Single Family Residential (R-SF) which allows for single family dwellings. The Pre-Zone designation is R-1.

**Island #26 –** The City General Plan Land Use designation is General Commercial (CG) intended for retailing, wholesaling and service activities. The Pre-Zone designation is C-2.

**Island #27 –** The City General Plan Land Use designation is Light Industrial (IL) this classification is intended to include employee-intensive uses including business parks, research and development, technology centers, etc. The Pre-Zone designation is M-1.



The City's land use classifications are generally compatible with the County's land use designations, except for Island #27. The County's land use designation within Island #27 is for Single Family Residential RS-1AA which accommodates a single family detached structure or combination of structures. However, the surrounding land use designations within the City of Fontana from Santa Ana Avenue north to Slover Avenue are light industrial. However, upon annexation existing legal land uses will be grandfathered into the City as legal non-conforming uses which will allow them to continue. There are certain restrictions which would apply and these have been identified in the numerous City meetings on the island annexation program.

LAFCO staff, members of the City of Fontana staff and County Land Use Services personnel have met to review issues related to the handling of the transition of land use projects from the County to the City. It has been identified that there are numerous projects currently in process at the County affected by this action; however, as of the date of this report no specific number has been identified. The City, by letter included as Attachment #6 to this report, outlines its position on how it will honor the County's land use approvals for projects and will assume responsibility for assurance of compliance with the County's conditions of approval. However the City reserves the right to require compliance with City design standards and on-site improvement plans.

#### **SERVICE ISSUES AND EFFECTS ON OTHER LEVELS OF GOVERNMENT:**

The City of Fontana has provided a "Plan for Service" for LAFCO 3048 and 3048A combined as required by law and as modified by Commission policy. A copy of the Plan, including supplemental information, is included as part of Attachment #2 to this report. Highlights of the Plan and related information include the following:

- Sewage collection services will become available directly through the City upon completion of the annexation. For those areas which have out-of-agency service contracts for receipt of sewer services currently, the monthly rate will be reduced to in-city charges (a reduction to \$15.06 per month). The location of these out-of-agency contracts are concentrated in Islands #4 and #5 of the reorganization.

The areas of Islands #4, #26 and #27 are not a part of the Inland Empire Utilities Agency (IEUA) and its Improvement District "C"; therefore, those parcels connecting to the City of Fontana facilities will be obligated to pay a surcharge to IEUA. A listing of the parcel numbers to which this requirement applies is included as a part of the Supplemental Material on the Plan for Service, a part of Attachment #2.

- Water service is provided to the island areas by the following public and private agencies:
  - Island #4 is served by the Marygold Mutual Water Company
  - Island #5 is served by the Fontana Water Company
  - Island #26 is served by the Marygold Mutual Water Company
  - Island #27 is served by the West Valley Water District

No change in service provider will occur through completion of this reorganization.

- Law enforcement responsibilities will shift from the County Sheriff's Department, which operates out of the Fontana Substation facility, to the City of Fontana Police Department. The City indicates that its Police Department will absorb this territory into its existing beat system surrounding the sites. The City has indicated that additional police personnel will be required in order to provide its level of service and that they have set in motion the steps necessary to acquire the officers and other employees. The financing of this service will be through the ad valorem property tax received by the City from within the annexation areas.
- Solid waste services are currently provided within the annexation area by EDCO Company, identified in the supplemental Plan materials submitted by the City of Fontana as a "sister" company (assumed to be subsidiary) of Burrtec Waste Industries. Pursuant to City policy, residents must use the City's franchised refuse hauler, Burrtec Waste Industries, and all City residents and business are required to have mandatory trash pickup. The City's current residential rate is \$20.61 per month for pick up which includes the provision of containers for normal, recyclable and green waste. This rate is eight (8) cents lower than existing EDCO rates. Commercial rates vary depending on the type and frequency of pick up but all services within the City of Fontana are to be provided by its franchised waste collection provider, Burrtec Waste Industries.
- Fire protection and paramedic services are currently the responsibility of the Central Valley Fire Protection District and will be unchanged by these annexations. Ambulance services are currently the responsibility of American Medical Response (AMR) within both the City territory and the unincorporated islands under consideration. No change in this service will take place as a consequence of the annexations.
- Streetlights are currently funded within the majority of the island areas through County Service Area SL-1. While the Plan for Service does not

specifically outline the transfer of this responsibility, the City's letter in the update of that document identifies that 37 lights will transfer to City responsibility. The Commission's adopted policy requires documentation of the transfer of this responsibility through verification of lighting facilities to be transferred and requiring the submission by the City of a signed form authorizing the transfer upon completion of the annexation. Staff has included this condition in its recommendation for approval. There are 37 lights operated by CSA SL-1 within County territory to be transferred and it is estimated that the annual cost of operation is \$3,700 (approximately \$100 per year energy costs). The property tax transfer from CSA SL-1 to the City is \$11,224, which exceeds the estimated cost of continuing this service.

- The City's Plan for Service makes no reference to the existence of the Bloomington Recreation and Park District within Islands #4, #26 and #27 in its discussion of "Community Services" which provides the City's park and recreation services. In addition, the document does not identify these islands as an "underserved" area pursuant to the standards adopted by the City in its General Plan for parkland needs per number of residents.

LAFCO staff expanded the review of LAFCO 3048A to include the detachment of the Bloomington Recreation and Park District pursuant to existing Commission policy. Upon review of the proposal, the County Special Districts Department staff expressed concern regarding the continuing viability of the District if detachments of revenue producing territory continued. LAFCO staff conveyed the County's concern and the concern of the Commission as noted in its Municipal Service Review (MSR) for the Bloomington Recreation and Park District to the City of Fontana. The Commission's MSR adoption recommended that a discussion take place regarding adoption of a policy by the Cities of Fontana and Rialto to allow for continued overlay of the District following annexation until such time as the services of the agency could be assumed by the City of Rialto (holder of the majority of the District's unincorporated territory).

The City of Fontana has responded to these questions through adoption of Resolution No. 2006-92 on June 13, 2006 indicating its agreement to the continued overlay of the Bloomington Recreation and Park District within Islands #4, #26 and #27 of LAFCO 3048A and the balance of its southeastern sphere territory upon annexation (copy included as Attachment #5). Therefore, LAFCO staff has recommended that the proposal be modified to exclude the detachment of the Bloomington Recreation and Park District, which will necessitate a re-negotiation of the property tax transfer resolution adopted by the City Council and Board of Supervisors.

As required by Commission policy and State law, the Plan for Service submitted by the City of Fontana shows that the extension of its services will maintain, and/or exceed, current service levels provided through the County.

### **ENVIRONMENTAL CONSIDERATIONS:**

The Commission's Environmental Consultant, Tom Dodson and Associates, has reviewed this proposal and has indicated that it is his recommendation that the reorganization to include island annexations is statutorily exempt from the California Environmental Quality Act (CEQA). This determination is based on the fact that the Commission has no discretion in its review of this proposal and must approve the project. Such a "ministerial action" is exempt from environmental review pursuant to Section 15268 of the State CEQA Guidelines. A copy of Mr. Dodson's analysis is included as Attachment #7 to this report. It is recommended that the Commission adopt the statutory exemption for this proposal and direct the Clerk of the Commission to file a Notice of Exemption with the appropriate agency within five days.

### **FINDINGS:**

The following findings are required to be provided by Commission policy and Government Code Section 56668 for all proposals considered:

1. The Registrar of Voters Office has determined that the four island study areas are legally inhabited, containing 693 registered voters as of April 10, 2006. The breakdown of Registered Voters by island area is as follows:

Island #4	408 voters
Island #5	275 voters
Island #26	5 voters
Island #27	5 voters

The number of registered voters as of the date of mailing of the individual notices, July 7, 2006, shows a total of 698 registered voters within the entirety of the four islands. No supplemental breakdown was provided by individual island.

2. The study area is within the sphere of influence assigned the City of San Fontana.
3. The County Assessor's Office has determined that the assessed valuation of land and improvements for the entirety of the 28 islands is \$76,108,134

(\$23,702,598 land; \$52,405,536 improvements). The values by individual island are identified as follows:

ISLAND IDENTIFICATION	TAX RATE AREA	LAND VALUE	IMPROVEMENT VALUE	TOTAL VALUE
#4	64034	\$9,699,444.00	\$26,819,646.00	\$36,519,090.00
#5	74010	\$7,511,196.00	\$22,759,483.00	\$30,270,679.00
#26	64034	\$5,830,101.00	\$2,512,056.00	\$8,342,157.00
	64029	\$0	\$0	\$0
#27	64027	\$661,857.00	\$314,351.00	\$976,208.00
<b>TOTALS</b>		<b>\$23,702,598.00</b>	<b>\$52,405,536.00</b>	<b>\$76,108,134.00</b>

4. LAFCO staff has provided individual notices to landowners (totaling 451 notices) and registered voters (totaling 698 notices) within the annexation area and to landowners (2,015) and registered voters (1,239) surrounding the study area dated July 25, 2006. The total number of notices provided, in accordance with State law and adopted Commission policies, is 4,403. To date verbal expression of opposition has been received in the LAFCO staff office expressing concern regarding road maintenance and upgrade and development standards; and written opposition has been received.
5. Legal advertisement of the Commission's consideration has been provided through publication in *The Sun*, and *The Herald News*, newspapers of general circulation within the study areas. Individual notice has been provided to affected and interested agencies, County departments, and those individuals and agencies having requested such notification.
6. The City of Fontana pre-zoned its sphere of influence through adoption of its General Plan Update in October 2003 and its Zoning Map was updated to include the pre-zoning of its sphere of influence on April 15, 2004. The land use designations to be applied within the reorganization area upon annexation are varied ranging from residential zoning including designations of Single Family Residential (R-SF), Medium Density Residential (R-M), General Commercial (C-G) and Light Industrial (IL) under the existing zone designations. Pursuant to the provisions of Government Code Section 56375(e), these zoning designations shall remain in effect for two years following annexation unless specific actions are taken by the City Council at a public hearing.

7. The Commission's Environmental Consultant, Tom Dodson and Associates, has indicated that the review of this island area reorganization is statutorily exempt from the California Environmental Quality Act (CEQA). This recommendation is based on the finding that the Commission's approval of this application is ministerial, in that based upon the findings required by Government Code Section 56375(a), the Commission has no discretion in its action on the proposal other than approval. Therefore, a statutory exemption as authorized under Section 15268 of the State CEQA Guidelines is appropriate. A copy of Mr. Dodson's response is included for the Commission's review as Attachment #7 to this report.
8. Upon annexation, the City of Fontana will extend its services as required by the existing and anticipated land uses. The City has submitted a "Plan for Service" as required by law which indicates that revenues are anticipated to be sufficient to provide the level of services identified by the City for such items as law enforcement, planning, street maintenance, etc. The Plan notes that additional personnel will be required for provision of law enforcement services and other services to the annexation areas. Solid Waste Services are franchised to be provided within the City of Fontana by Burrtec Waste Industries, while the current provider is EDCO Company. The transfer in solid waste provider will be required. Water service to the island areas are currently provided by the Fontana Water Company (Island #5), the Marygold Mutual Water Company (Island #4 and #26), and the West Valley Water District (Island #27), fire protection/paramedics are currently provided by the Central Valley Fire Protection District and ambulance service is provided by American Medical Response. All of these service providers will remain unchanged. A copy of the City's Plan and updated information on the Plan is included for the Commission's review as a part of Attachment #2.

The City of Fontana has indicated in its application and Plan for Service that its 5% Utility Users Tax on commercial properties will not be extended to this area upon annexation. In addition, LAFCO staff has included a condition in its recommendation for approval that indicates that the utility tax will not be applied to the island annexation areas.

The City of Fontana has requested that the Bloomington Recreation and Park District be retained within the area. This will alleviate concerns expressed by the County Special Districts' Department that detachment would impact the District's ability to continue to provide its services.

9. The area in question is presently served by the following public agencies:

County of San Bernardino  
Inland Empire Resource Conservation District

Inland Empire Utilities Agency (portion)  
San Bernardino Valley Municipal Water District (portion)  
Bloomington Recreation and Park District  
Central Valley Fire Protection District  
West Valley Water District and its Improvement District No. 1 (Island  
#27 and the railroad right-of-way in Island #26)  
County Service Area SL-1  
County Service Area 70

CSA SL-1 and CSA 70 will be detached through successful completion of this annexation as required by Government Code Section 25210.90. The Bloomington Recreation and Park District will be retained within the area as requested by the County of San Bernardino and concurred in by adoption City of Fontana Resolution NO. 2006-92. None of the other agencies will be directly affected by the completion of this proposal through an adjustment in their boundaries as they are regional in nature.

10. The annexation proposal complies with Commission policies and directives and State law that indicate the preference for all island areas to be included within the boundaries of the City surrounding them to provide for a more efficient and effective service delivery system.
11. All notices required by State law and local Commission policies have been provided. Comments from landowners and any affected local agency have been reviewed and considered by the Commission in making its determinations. To date, verbal and written expressions of protest or opposition to these annexations and the island annexation provisions has been received.
12. The study area can benefit from the availability of municipal-level services from the City of Fontana and numerous parcels within the areas of annexation have benefited in the past from the receipt of out-of-agency sewer service from the City of Fontana.
13. This proposal will have minimal effect on the City of Fontana's ability to achieve its fair share of the regional housing needs as it is primarily built-out residential uses or zones for commercial/industrial use.
14. The County of San Bernardino and the City of Fontana have successfully negotiated a transfer of property tax revenues that will take effect upon completion of this annexation. This negotiated agreement fulfills the requirements of Section 99 of the Revenue and Taxation Code. Renegotiation of the property tax transfer will be required due to the modification to exclude detachment of the Bloomington Recreation and Park District from the

reorganization proposal. This process is outlined in Revenue and Taxation Code Section 99(b)(7).

15. The maps and legal descriptions, as revised, are in substantial compliance with LAFCO and state standards through certification by the County Surveyor's Office.

### **CONCLUSION:**

It is staff's position that LAFCO 3048A must be approved by the Commission without protest by landowners and registered voters and it must be approved without awaiting a determination on a potential Bloomington incorporation. This position is based upon the factors outlined in Government Code Sections 56375(a) and 56655. In addition, it is the staff's position that the Commission is required to make the mandatory determinations outlined in Section 56375.3. Staff believes these determinations are easily made for each of the four islands as follows:

- The four island annexation areas individually are less than 150 acres, meeting the defined statutory threshold of less than the 150 acres;
- Each area is substantially surrounded by City boundaries as defined by Commission policy and State law;
- Each area is within the City of Fontana sphere of influence;
- Each is substantially developed or developing;
- None contains prime agricultural land as defined by LAFCO statutes; and,
- Each has benefited and/or can benefit from the availability of municipal services from the City of Fontana.

Approval of this reorganization proposal will provide a clear delineation of law enforcement responsibility, will provide for ease in response to needs of residents and landowners to receive sewer service without the added burden required to complete out-of-agency service contracts, and will define the responsible agency to turn to for needed road improvements. Approval of this proposal addresses the needs for service now and in the future, it precludes the stranding of existing infrastructure, and provides for a change in policy that addresses the questions related to the continuing financial viability of the Bloomington Recreation and Park District.

For all the reasons outlined above, and throughout the staff report, LAFCO staff recommends approval of LAFCO 3048A. If the Commission concurs with the staff



determinations related to the statutorily required factors, then it is required to approve this proposal, regardless of any protest that might be submitted at the hearing. State law also requires the Commission to waive the protest hearing on this proposal, and staff's recommendation includes that action as part of its approval of this proposal.

KRM

Attachments:

- 1 -- Maps – Vicinity and Individual Islands
- 2 -- City of Fontana Application, Plan for Service, Update to Plan for Service and Outreach Materials including Supplemental Information on the Four Individual Islands
- 3 -- Government Code Sections 56655, 56375 and 56375.3
- 4 -- Letter from Bloomington Incorporation Committee Dated August 4, 2006 in Opposition to LAFCO 3048A, LAFCO Letter dated March 22, 2006 Identifying Receipt of Notice of Intent, Notice of Intent to Circulate Petition for Incorporation of a City of Bloomington and Minutes from February 15, 2006 LAFCO Hearing
- 5 -- Letter from City of Fontana dated June 15, 2006 Providing Copy of Resolution No. 2006-92 Consenting to Continued Overlay of Bloomington Recreation and Park District
- 6 -- Letter from City of Fontana dated August 7, 2006 Outlining Position on Assumption of Land Use Review Approvals and Code Enforcement Issues
- 7 -- Letter from Tom Dodson and Associates on Environmental Determination
- 8 -- Draft Resolution No. 2933